

# IRS News Release

---

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

[www.irs.gov/newsroom](http://www.irs.gov/newsroom)

Public Contact: 800.829.1040

---

## **TREASURY AND IRS ANNOUNCE GUIDANCE REGARDING THE TEMPORARY OPERATION OF SHIPS IN THE DOMESTIC TRADE AS A RESULT OF HURRICANE KATRINA**

IR-2005-101, Sept. 12, 2005

WASHINGTON – Today the Treasury Department and the IRS announced guidance regarding the temporary operation of ships in the domestic trade as a result of Hurricane Katrina.

Hurricane Katrina damaged many of the Gulf Coast oil refineries and has significantly disrupted the pipeline transportation of oil and refined products from the Gulf Coast States. The Secretary of Homeland Security has waived the Merchant Marine Act of 1920 and related laws for the transportation of petroleum and refined petroleum in response to Hurricane Katrina, including the transportation of petroleum from the Strategic Petroleum Reserve undertaken in response to the circumstances arising from Hurricane Katrina. By the notice issued today, Treasury and the IRS are providing complementary guidance related to the tax treatment of ship operators transporting petroleum and refined petroleum products pursuant to the waiver and the treatment of the crew members of ships operating pursuant to the waiver.